

**AGENDA ITEM III**

**PROPOSED NEW ACADEMIC/RESEARCH CENTER**

**LOUISIANA STATE UNIVERSITY AGRICULTURAL CENTER**

**CENTER FOR NATURAL RESOURCE ECONOMICS AND POLICY**

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### PROPOSED NEW ACADEMIC/RESEARCH CENTER

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#### BACKGROUND INFORMATION

The Board of Regents' Guidelines: Proposed Centers, Institutes, and Other Similar Academic/Research Units provide two different review procedures for proposed new academic/research units, depending on the projected source of funding. *For proposed units designed to oversee emerging research programs which anticipate the availability of non-state support*, the Regents will consider a proposal for a one-year period of *conditional approval*, prior to submittal of a full proposal. Louisiana State University Agricultural Center (LSU AgCenter) requests conditional approval for the proposed center.

#### STAFF SUMMARY

##### **1. Description**

The LSU AgCenter proposes to establish a Center for Natural Resource Economics and Policy (CNREP) to address the economic and environmental impact of policies affecting the ecosystem within Louisiana's boundaries. The Center would provide policy makers with an additional source of knowledge and research useful in determining how best to solve the state's environmental problems. Faculty with appropriate research interests will offer advanced quantitative modeling tools for meshing scientific understanding of natural processes with the real-world difficulties of developing natural resource policies that are economically practical.

The local, state, federal and international activities of participating faculty, when brought under the umbrella of CNREP, would result in greater visibility, thereby enhancing the funding prospects for truly collaborative natural resource economics and policy research at LSU. A major national resource economics and policy conference at LSU is planned in 2004; the work of LSU's programs will be highlighted at this conference.

Participation in the CNREP is open to any social science professional with an interest in natural resource economics and policy. Consequently, membership will be dynamic and to some extent project-dependent. Areas of research interest of LSU faculty who are currently proposed for CNREP participation include:

- Wetlands and Coastal Resources
- Coastal Fisheries Institute, Fisheries Economics
- Forest Economics
- Resources and Rural Development
- Forest Products Marketing
- Farm Management and Production Economics

A Resource and Environmental Economist with the Louisiana Department of Wildlife and Fisheries has also indicated willingness to participate in CNREP activities.

## **8. Administrative Structure**

The current plan is for CNREP to be operated in a “center-without-walls” framework, relying on current faculty and the additional research personnel that can be generated through sponsored funding activity. CNREP would be administered by a faculty member in the position of Director, on a rotational basis, with assistance from clerical staff. The CNREP Director would report directly to the head of the Department of Agricultural Economics and Agribusiness, and through the department head to the LSU AgCenter administration.

## **9. Budget**

Minimal funding for the initial year of CNREP is anticipated from internal re-allocations within the LSU AgCenter. Institutional support in the form of clerical and grant writing assistance will be essential to provide faculty the time and focus needed to leverage their current research programs.

	<b>One-Time Costs</b>	<b>Recurring Costs</b>
Equipment	\$ 12,500	-----
Supplies and Materials	-----	\$ 5,000
Operating Services	-----	\$ 5,000
Personnel	-----	\$ 55,000
Fringe Benefits	-----	\$ 12,375
Travel	-----	\$ 10,000
<b>Total</b>	<b>\$ 12,500</b>	<b>\$ 87,375</b>

## **10. Non-state funding decisions and contingency plan**

Initial funding decisions will occur in the first half of calendar year 2004, during normally scheduled budget meetings, with funds to begin at the start of the fiscal year July 1, 2004. There are currently no contingency plans for funding CNREP should the anticipated non-state funds not become available. Plans for the ongoing support of CNREP operations using grant funds are in development.

## **STAFF ANALYSIS**

The Master Plan for Public Postsecondary Education: 2001 lists one of the roles of the LSU AgCenter as “facilitating the wise use of natural resources and protection of the environment.” Consequently, the proposed Center for Natural Resource Economics and Policy is appropriate to the role, scope and mission of the LSU AgCenter. Goals and objectives should benefit the State. CNREP administrative structure and reporting lines appear appropriate. The AgCenter has agreed to provide \$99,875 for first-year operations. No state financial support has been requested or is anticipated. The staff anticipates that the AgCenter’s subsequent proposal for full approval will provide a more comprehensive picture of Center operations and funding.

## **STAFF RECOMMENDATION**

*The staff recommends that the Academic and Student Affairs Committee grant conditional approval for the Center for Natural Resource Economics and Policy for one year, effective July 1, 2004. As required by Board of Regents Academic Affairs Guidelines: Proposed New Centers, Institutes, and Other Academic/Research Units, Louisiana State University Agricultural Center shall submit to the Commissioner of Higher Education a proposal for full approval of the Center by June 30, 2005. If this proposal is not forthcoming by this date, the Board of Regents shall re-examine the need this center.*